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8 Attorneys for Public Utility District No. 1 of Douglas County, Washington

9 **UNITED STATES BANKRUPTCY COURT**  
10 **EASTERN DISTRICT OF WASHINGTON**

11 In re:

No. 18-03197-FPC11

12 **GIGA WATT INC, a Washington**  
13 **corporation,**

**CHAPTER 11**

14 Debtor.

15 **DECLARATION OF LISA PARKS**  
16 **IN SUPPORT OF OBJECTION TO**  
17 **COMMITTEE'S MOTION FOR**  
18 **AUTHORIZATION TO FILE**  
19 **ADVERSARY PROCEEDING**  
**AGAINST DOUGLAS COUNTY**  
**PUD FOR THE BENEFIT OF THE**  
**BANKRUPTCY ESTATE**

20 I, LISA PARKS, state as follows:

21  
22 1. I was the Executive Director of the Port of Douglas County (the  
23 "Port") from April 1, 2011 through October 31, 2019. I am over the age of  
24 eighteen (18), have personal knowledge of the matters contained in this  
25 Declaration, and am competent to testify.  
26

27 **DECLARATION OF LISA PARKS IN SUPPORT OF**  
28 **OBJECTION TO COMMITTEE'S MOTION FOR**  
**AUTHORIZATION TO FILE ADVERSARY PROCEEDING**  
**AGAINST DOUGLAS COUNTY PUD FOR THE BENEFIT OF**  
**THE BANKRUPTCY ESTATE - 1**

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1           2.     As Executive Director of the Port, I was directly involved in  
2 negotiation and execution of the Land Lease between the Port and Giga Watt Inc.  
3 (“Giga Watt”) which was entered into on March 9, 2017 and amended by an  
4 Addendum on August 15, 2017 (collectively, the “Lease”). A true and correct copy  
5 of the Lease is attached to this Declaration as Exhibit A.  
6  
7

8           3.     The Lease initially contemplated that Giga Watt would elect to  
9 execute Cost-in-Aid-of-Construction (“CIAC”) agreements to take advantage of a  
10 deferred payment plan to pay for a share of the public power electrical  
11 infrastructure at the Pangborn Airport Business Park which was required in order  
12 to receive electrical service from the Douglas County Public Utility District (the  
13 “District”). The CIAC program was set up to cover the costs associated with  
14 getting public power infrastructure to the tenant’s site, not for on-site  
15 infrastructure.  
16  
17

18           4.     The CIAC agreements required Giga Watt to make a cash down  
19 payment of 30% of the estimated costs of the project, and to provide surety bonds  
20 for the remaining balance to the Port for the Port’s protection in case Giga Watt  
21 failed to make the payments required. True and correct copies of the unsigned  
22 CIAC agreements provided to Giga Watt are attached as Exhibits B and C.  
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1           5.     Giga Watt elected to not sign the CIAC agreements. I was told at the  
2 time by Dave Carlson, CEO of Giga Watt, that Giga Watt was unable to obtain the  
3 required surety bonds, and that they were going to proceed with the project without  
4 utilizing the CIAC option.  
5

6           6.     Because Giga Watt elected not to sign the CIAC agreements, the Port  
7 did not in turn enter into CIAC agreements for deferred payments with the District  
8 for the premises leased by Giga Watt. The effect was that any power infrastructure  
9 costs contemplated in the draft CIACs would be required to be paid for by Giga  
10 Watt without benefit of any deferral authorized by the CIACs.  
11

12           7.     The Lease was structured as a triple-net lease which meant that Giga  
13 Watt was responsible for paying all costs and expenses related to the premises,  
14 including the installation of infrastructure. (Exhibit A at §4.)  
15

16           8.     Additionally, the Lease allowed Giga Watt to purchase and install a  
17 substation as a Tenant Improvement and at its own cost. (Exhibit A at §7.b.)  
18

19           9.     At no time was the Port obligated to be responsible for, or to pay, any  
20 costs related to Giga Watt's tenant improvements on the premises, nor to be  
21 obligated for any costs that may have been billed by the District.  
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1 I DECLARE UNDER PENALTY OF PERJURY THAT THE  
2 FOREGOING IS TRUE AND CORRECT.

3  
4 Executed on April 27, 2020.

5  
6 /s/ Lisa Parks  
7 LISA PARKS  
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27 **DECLARATION OF LISA PARKS IN SUPPORT OF**  
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